



CHRISTIANI & NIELSEN
(TRANSLATION)

Ref: CNT/SEC/001/2012

27 February 2012

Subject: Explanation of the year 2011's operating result which has varied by 20%
over or under that of the preceding year

To: The Secretary
The Office of the Securities and Exchange Commission

Christiani & Nielsen Thai PCL. would like to explain the reasons for the actual operating result varying by 20% from the preceding year.

The Company would like to inform that for the year ended 31 December 2011, the Separate Financial Statement shows that the net profit of Baht 183 million decreased from the previous year by Baht 241 million, mainly because, as inflation increases, the ratio of construction cost to revenue from construction project increased in 2011, in addition, in year 2010 the Company had the reversal of estimate expenses for construction projects higher than this year, which resulted in a decrease of the gross profit of Baht 206 million, furthermore, in year 2011, the Company's dividend income from subsidiaries decreased by Baht 51 million. However, in year 2011, the Company had interest income from bank deposit, Treasury bill and Government bond increased by Baht 16 million.

For the fiscal year 2011, the consolidated financial statements net profit was Baht 165 million, a decrease from the previous year of Baht 186 million. In year 2011, the gross profit of the Company decreased by reason of the above from the previous year by Baht 208 million, an increase in interest income from bank deposit, Treasury bill and Government bond of 18 million. Since in year 2011, the subsidiary companies and joint ventures have stopped operations due to the dissolution and liquidation, these result the related business operations decreased by Baht 4 million.

The Company would like to further clarify that there was severe flooding in Thailand. The impact of the flood situation, the certain company's projects had been temporarily suspended their construction since October 2011. At present, the Company can operate normally. Because of the flood situation, the Company had the impact from expenses occurred. Total assets lost, including construction projects rehabilitation in the year 2011, amounted to Baht 10.30 million. However, the Company has the insurance coverage for all kinds of damage incurred from the flood. Currently, the Company has been assessing the compensation from insurer.

Please be informed accordingly.

Yours faithfully,
Christiani & Nielsen (Thai) Public Company Limited

– Signature –
(Mr. Surasak Osathanugraha)
Director and Company Secretary

CC: Vice President, Listed Company Department
The Stock Exchange of Thailand